



NEWS RELEASE

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USDA Rural Development Announces Pilot to Increase Kansas Rural Homeownership

TOPEKA - November 28, 2006 — USDA Rural Development State Director Chuck Banks announced today that Kansas has been approved to participate in a new construction pilot effort by USDA Rural Development and JPMorgan Chase Bank N.A. The pilot will increase the availability of new home credit financing to provide more rural families the opportunity to achieve the dream of homeownership in Kansas.

“USDA and its partners in home construction and finance have responded to President Bush’s challenge to add seven million new affordable homes to the market in the next 10 years,” said Banks. “Through an innovative partnership with JPMorgan Chase Bank, more rural families will be better able to meet their affordable housing needs and achieve the American Dream of homeownership.”

“This housing pilot program will be of tremendous benefit in all eligible areas of Kansas,” commented Banks. Eligible areas are non-metro areas and communities with a population of less than 20,000.

Loan guarantees from USDA Rural Development will make it possible for JPMorgan Chase Bank to offer 30 year-fixed rate construction loans that finance 100 percent of the cost of building a new home – including the lot, construction costs, closing costs and interest payments while the house is being built. Lenders, contractors, developers and realtors who would like more information on this pilot program should contact Brandee Velez of JPMorgan Chase Bank at 954-422-1233.

USDA Rural Development's mission is to deliver programs in a way that will support increasing economic opportunity and improve the quality of life of rural residents. For additional information regarding all USDA Rural Development programs, individuals may contact the Agency’s state office at 785-271-2700 or visit the Agency’s website at www.rurdev.usda.gov/ks

USDA Rural Development – *Committed to the future of rural communities*